



Signed and Filed: March 13, 2023

*Dennis Montali*

DENNIS MONTALI  
U.S. Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA

In re: ) Bankruptcy Case  
PG&E CORPORATION, ) No. 19-30088-DM  
- and - ) Chapter 11  
PACIFIC GAS AND ELECTRIC COMPANY, ) Jointly Administered  
Reorganized Debtors. )  
☐ Affects PG&E Corporation )  
☐ Affects Pacific Gas and )  
Electric Company )  
☒ Affects both Debtors )  
\* All papers shall be filed in )  
the Lead Case, No. 19-30088 (DM). )

**ORDER ON THE RKS CLAIMANTS' MOTION TO  
ENFORCE THE ADR PROCEDURES ORDER**

The court, and perhaps the parties themselves, regret that  
an attempt at mediation of Securities Claims held by 699  
claimants represented by one law firm (the "RKS Claimants")<sup>1</sup>

<sup>1</sup> The RKS Claimants are identified in Schedule 1 attached to *The RKS Claimants' Motion to Enforce the ADR Procedures Order* and

1 failed earlier this year. Each side faults the other, yet each  
2 side properly respects and honors the mediation privilege. As a  
3 result, the court cannot and will not lay blame on either side.  
4 Instead, the court will treat the failed mediation as simply a  
5 lost cause and move on.

6 The court will defer the question of when and/or whether to  
7 bypass the court-approved mediation procedures<sup>2</sup> (the "Securities  
8 ADR Procedures") and will implement the procedure followed  
9 earlier for other securities claimants who resisted the  
10 Reorganized Debtors' attempt to extend the bar date by 270 days.<sup>3</sup>

11 The court directs that the Reorganized Debtors and counsel  
12 for the RKS Claimants follow the same procedures as ordered for  
13 the parties identified as the "Objectors" in Para. 5 of the  
14 December Order, modified as follows:

15 The deadline is April 17, 2023 for Reorganized Debtors to  
16 make a Settlement Offer to all RKS Claimants. Whether there is  
17 one Settlement Offer to all of the RKS Claimants or separate  
18 one-on-one offers to individual RKS Claimants, is for the  
19 Reorganized Debtors to decide. Any rules or protocols to apply  
20 for calculating requisite acceptances (in number and dollar  
21 amounts of the RKS Claimants) are also up to the Reorganized  
22 Debtors, ideally after meeting and conferring with counsel for

23  
24 *Establish a March 20, 2023 Deadline to Object to the RKS  
Claimants' Claims (Dkt. 13492).*

25 <sup>2</sup> See *Order Approving Securities ADR and Related Procedures for*  
26 *Resolving Subordinated Securities Claims (Dkt. 10015).*

27 <sup>3</sup> See *Order Further Extending Deadline for the Reorganized*  
28 *Debtors to Object to Claims and Granted Related Relief (Dkt.*  
*13363) (the "December Order").*

1 the RKS Claimants. Any Settlement Offer(s) are subject to same  
2 procedures set forth in the December Order if a class action  
3 motion is filed before or after the April 17 deadline. If such  
4 a class action motion is filed after any Settlement Offer(s),  
5 the offer(s) stays on the table.

6 The RKS Claimants will have the same 35-day Settlement  
7 Offer Deadline set forth in The Offer Procedures to accept,  
8 reject or counter any Settlement Offer. If accepted, the matter  
9 is moot; for Counteroffers, the Reorganized Debtors will have  
10 the 21-day deadline for a Counteroffer Response. If rejected,  
11 the court will decide whether to bypass, enforce or modify  
12 Securities ADR Procedures and fix a deadline other than the  
13 automatic 60-days (See Dkt 10015-1, p. 24 of 35) for objections  
14 to the claims of the RKS Claimants.<sup>4</sup>

15 It is likely Reorganized Debtors will move to extend the  
16 June 20, 2023 deadline to object to claims that is set forth in  
17 the December Order. The court has a regular PG&E calendar on  
18 June 7, 2023, at 10:00 AM. That will be the date for the  
19 hearing on that expected motion, to be filed and noticed by the  
20 Reorganized Debtors in accordance with the normal procedures.

21 The current situation with the RKS Claimants, together with  
22 the long time the court and the parties have awaited progress on  
23 the Securities Claims Procedures, compels the court to consider  
24 whether to alter those procedures in some way. For example,  
25 should the Reorganized Debtors be required to object to

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27 <sup>4</sup> For the RKS Claimants, the Abbreviated Mediation Process is not  
28 an acceptable option. Only the Standard Mediation Process will  
even be considered.

1 Securities Claims before the time to complete mediation has run?  
2 Should any unsuccessful attempt at mediation, for whatever  
3 reason, be sufficient cause to bypass the approved mediation  
4 alternatives? As for the RKS Claimants specifically, in view of  
5 the current dispute, should the court bypass the Securities ADR  
6 Procedures completely and fix a prompt deadline for the  
7 Reorganized Debtors to object to the RKS Claimants' claims? No  
8 doubt there are other alternatives to streamline these  
9 procedures.

10 To that end, the Reorganized Debtors are directed, in their  
11 motion to extend the claims bar date generally, to propose any  
12 suggested changes they have to the Securities Claims Procedures,  
13 to note specifically if they have no suggested changes and to  
14 address specifically the RKS Claimants' issues just mentioned.  
15 They must also include in their Notice of Motion that holders of  
16 Subordinated Securities Claims, and specially the RKS Claimants,  
17 will have the normal time to respond to that motion, including  
18 any suggestions they have for streamlining or otherwise  
19 facilitating the Securities Claims Procedures, and responding to  
20 any suggestions by the Reorganized Debtors, with any reply by  
21 the Reorganized Debtors also in accordance with the normal  
22 procedures.

23 The court will hear the forgoing matters, oppositions and  
24 replies on June 7, 2023 at 10:00 AM.

25  
26 **\*\*END OF ORDER\*\***  
27  
28

**COURT SERVICE LIST**

ECF Recipients